

**STATE BOARD OF ACCOUNTS  
302 West Washington Street  
Room E418  
INDIANAPOLIS, INDIANA 46204-2769**

ANNUAL FINANCIAL REPORT

2006

BOONE COUNTY, INDIANA



**FILED**

09/19/2007



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### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Gretchen Smith	01-01-06 to 12-31-09
Treasurer	Deanna Willhoite	01-01-06 to 12-31-09
Clerk	Lisa Garaffolo Penny Bogan	01-01-03 to 12-31-06 01-01-07 to 12-31-10
Sheriff	Dennis Brannon Ken Campbell	01-01-03 to 12-31-06 01-01-07 to 12-31-10
Recorder	Mary Alice Baldwin	01-01-05 to 12-31-08
President of the Board of County Commissioners	Harold "Huck" Lewis	01-01-06 to 12-31-07
President of the County Council	Steven Jacob	01-01-06 to 12-31-07



# STATE OF INDIANA

AN EQUAL OPPORTUNITY EMPLOYER

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## INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

TO: THE OFFICIALS OF BOONE COUNTY, INDIANA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Boone County (County), as of and for the year ended December 31, 2006, which collectively comprise the County's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

As discussed in Note I, the County prepares its financial statements on the prescribed basis of accounting that demonstrates compliance with the cash and investment basis and budget laws of the State of Indiana, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As discussed in Note I, the financial statements referred to above do not include a component unit of the County which should have been included to fairly present the financial position of the County.

In our opinion, except that the omission of the component units of the County referred to in the preceding paragraph results in incomplete presentation, the financial statements referred to above present fairly, in all material respects, the respective cash and investment balances of the governmental activities, each major fund, and the aggregate remaining fund information of the County as of December 31, 2006, and the respective cash receipts and cash disbursements during the year then ended on the basis of accounting described in Note I.

In accordance with Government Auditing Standards, we have also issued a report dated June 28, 2007, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. Our report on compliance and on internal control over financial reporting should be read along with this report.

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS  
AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
(Continued)

Our audit was performed for the purpose of forming an opinion on the basic financial statements of the County taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The Schedules of Funding Progress, as listed in the Table of Contents, are not required parts of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management, regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The County has not presented Management's Discussion and Analysis or Budgetary Comparison Schedules that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The Combining Schedules, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the basic financial statements. The Combining Schedules, as listed in the Table of Contents, have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

STATE BOARD OF ACCOUNTS

June 28, 2007



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## REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

TO: THE OFFICIALS OF BOONE COUNTY, INDIANA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Boone County (County), as of and for the year ended December 31, 2006, which collectively comprise the County's basic financial statements and have issued our report thereon dated June 28, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be significant deficiencies or material weaknesses, as defined above.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS  
(Continued)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of the County's management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

June 28, 2007



BOONE COUNTY  
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS  
For The Year Ended December 31, 2006

Functions/Programs	Disbursements	Program Receipts			Net (Disbursement) Receipt and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Primary government:					
Governmental activities:					
General government	\$ 22,431,729	\$ 3,113,144	\$ 367,322	\$ 56,165	\$ (18,895,098)
Public safety	6,850,850	1,158,865	228,530	316,140	(5,147,315)
Highways and streets	3,593,579	-	2,485,143	1,188,649	80,213
Health and welfare	2,591,989	254,059	583,091	-	(1,754,839)
Interest on long-term debt	697,269	-	-	-	(697,269)
Total primary government	<u>\$ 36,165,416</u>	<u>\$ 4,526,068</u>	<u>\$ 3,664,086</u>	<u>\$ 1,560,954</u>	<u>(26,414,308)</u>
General receipts:					
Property taxes					6,186,668
Income taxes					7,774,416
Other taxes					1,176,558
Bonds and loans					10,750,000
Unrestricted investment earnings					2,497,881
Miscellaneous					669,332
Total general receipts					<u>29,054,855</u>
Change in net assets					2,640,547
Net assets - beginning					<u>45,020,042</u>
Net assets - ending					<u>\$ 47,660,589</u>
<u>Assets</u>					
Cash and investments					\$ 21,272,017
Restricted assets:					
Cash and investments					<u>26,388,572</u>
Total assets					<u>\$ 47,660,589</u>
<u>Net Assets</u>					
Restricted for:					
Highways and streets					\$ 2,217,890
Debt service					4,678,837
Other purposes					19,491,845
Unrestricted					<u>21,272,017</u>
Total net assets					<u>\$ 47,660,589</u>

The notes to the financial statements are an integral part of this statement.

BOONE COUNTY  
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS,  
DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
GOVERNMENTAL FUNDS  
For The Year Ended December 31, 2006

	General	Cumulative Bridge	Economic Development	Anson Construction	Other Governmental Funds	Totals
<b>Receipts:</b>						
Taxes	\$ 10,390,145	\$ 923,502	\$ -	\$ -	\$ 3,103,045	\$ 14,416,692
Licenses and permits	490,196	-	433,699	-	201,552	1,125,447
Intergovernmental	848,889	183,743	-	-	5,290,484	6,323,116
Charges for services	742,629	-	-	-	1,941,432	2,684,061
Fines and forfeits	134,940	-	-	-	204,494	339,434
Other	2,011,423	37,054	-	464,414	654,322	3,167,213
<b>Total receipts</b>	<b>14,618,222</b>	<b>1,144,299</b>	<b>433,699</b>	<b>464,414</b>	<b>11,395,329</b>	<b>28,055,963</b>
<b>Disbursements:</b>						
General government	8,392,685	-	1,328,430	15,222	1,406,830	11,143,167
Public safety	5,193,998	-	-	-	1,656,852	6,850,850
Highways and streets	-	-	-	-	3,411,009	3,411,009
Health and welfare	-	-	-	-	2,591,989	2,591,989
Debt service:						
Interest	-	-	-	-	697,269	697,269
Bond issuance costs	-	-	-	443,614	-	443,614
Capital outlay:						
General government	-	603,651	-	9,778,586	456,882	10,839,119
Highways and streets	-	-	-	-	182,570	182,570
<b>Total disbursements</b>	<b>13,586,683</b>	<b>603,651</b>	<b>1,328,430</b>	<b>10,237,422</b>	<b>10,403,401</b>	<b>36,159,587</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>1,031,539</b>	<b>540,648</b>	<b>(894,731)</b>	<b>(9,773,008)</b>	<b>991,928</b>	<b>(8,103,624)</b>
<b>Other financing sources (uses):</b>						
Bond issuance	-	-	-	10,750,000	-	10,750,000
Bond discount	-	-	-	(5,829)	-	(5,829)
Transfers in	238,307	-	-	-	2,554,681	2,792,988
Transfers out	-	-	-	(2,554,681)	(238,307)	(2,792,988)
<b>Total other financing sources</b>	<b>238,307</b>	<b>-</b>	<b>-</b>	<b>8,189,490</b>	<b>2,316,374</b>	<b>10,744,171</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>1,269,846</b>	<b>540,648</b>	<b>(894,731)</b>	<b>(1,583,518)</b>	<b>3,308,302</b>	<b>2,640,547</b>
<b>Cash and investment fund balance - beginning</b>	<b>4,590,704</b>	<b>5,337,827</b>	<b>7,230,000</b>	<b>12,378,256</b>	<b>15,483,255</b>	<b>45,020,042</b>
<b>Cash and investment fund balance - ending</b>	<b>\$ 5,860,550</b>	<b>\$ 5,878,475</b>	<b>\$ 6,335,269</b>	<b>\$ 10,794,738</b>	<b>\$ 18,791,557</b>	<b>\$ 47,660,589</b>
<b><u>Cash and Investment Assets - December 31</u></b>						
Cash and investments	\$ 5,860,550	\$ -	\$ 6,335,269	\$ -	\$ 9,076,198	\$ 21,272,017
Restricted assets:						
Cash and investments	-	5,878,475	-	10,794,738	9,715,359	26,388,572
<b>Total cash and investment assets - December 31</b>	<b>\$ 5,860,550</b>	<b>\$ 5,878,475</b>	<b>\$ 6,335,269</b>	<b>\$ 10,794,738</b>	<b>\$ 18,791,557</b>	<b>\$ 47,660,589</b>
<b><u>Cash and Investment Fund Balance - December 31</u></b>						
Restricted for:						
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ 2,217,890	\$ 2,217,890
Debt service	-	-	-	-	4,678,837	4,678,837
Other purposes	-	5,878,475	-	10,794,738	2,818,632	19,491,845
Unrestricted	5,860,550	-	6,335,269	-	9,076,198	21,272,017
<b>Total cash and investment fund balance - December 31</b>	<b>\$ 5,860,550</b>	<b>\$ 5,878,475</b>	<b>\$ 6,335,269</b>	<b>\$ 10,794,738</b>	<b>\$ 18,791,557</b>	<b>\$ 47,660,589</b>

The notes to the financial statements are an integral part of this statement.

BOONE COUNTY  
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
FIDUCIARY FUNDS  
For The Year Ended December 31, 2006

	Pension Trust Funds	Agency Funds
Additions:		
Contributions:		
Employer	\$ 358,380	\$ -
Plan members	33,330	-
	<u>391,710</u>	<u>-</u>
Total contributions		
	<u>391,710</u>	<u>-</u>
Investment earnings:		
Net in fair value of investments	299,755	-
Interest	87,782	-
	<u>387,537</u>	<u>-</u>
Net investment earnings		
	<u>387,537</u>	<u>-</u>
Agency fund additions	<u>-</u>	<u>204,833,581</u>
Total additions	<u>779,247</u>	<u>204,833,581</u>
Deductions:		
Benefits	184,994	-
Administrative and general	67,742	-
Agency fund deductions	<u>-</u>	<u>205,763,751</u>
Total deductions	<u>252,736</u>	<u>205,763,751</u>
Excess (deficiency) of total additions over total deductions	526,511	(930,170)
Cash and investment fund balance - beginning	<u>3,065,553</u>	<u>6,202,725</u>
Cash and investment fund balance - ending	<u>\$ 3,592,064</u>	<u>\$ 5,272,555</u>

The notes to the financial statements are an integral part of this statement.

BOONE COUNTY  
NOTES TO FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

A. Reporting Entity

The County was established under the laws of the State of Indiana. The County operates under a Council-Commissioner form of government and provides the following services: public safety (police), highways and streets, health welfare and social services, culture and recreation, public improvements, planning and zoning, and general administrative services.

The County's financial reporting entity is composed of the following:

Primary Government: Boone County  
Discretely Presented Component Unit: Witham Memorial Hospital

In determining the financial reporting entity, the County complies with the provisions of GASB Statement No. 14, *The Financial Reporting Entity*.

Witham Memorial Hospital, a discretely presented component unit has been omitted from these financial statements. Accordingly, the financial statements do not include the data of all of the County's component units necessary to fairly present the financial position of the County.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The Statement of Activities and Net Assets – Cash and Investment Basis displays information about the reporting government as a whole. It includes all funds of the reporting entity except for fiduciary funds. The statement distinguishes between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, liabilities, fund equity, receipts, and disbursements. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. However, at this time, the County has not established any enterprise funds.

The County reports the following major governmental funds:

The general fund is the primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The cumulative bridge fund accounts for the financing and construction or reconstruction of bridges in the County. Financing is provided by an annual property tax levy and state and federal grant proceeds.

BOONE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

The economic development fund accounts for various projects determined to be beneficial to the economic development of the community. Financing was provided by a special county option income tax distribution from the state.

The anson construction fund accounts for the construction of infrastructure in the anson project of the Redevelopment Commission. Financing is provided by bonds issued in 2004, 2005, and 2006.

Additionally, the County reports the following fund types:

The pension trust funds account for the activities of the sheriff's retirement trust and sheriff's benefit trust funds, which accumulate resources for pension benefit payments.

Agency funds account for assets held by the County as an agent for employees, state of Indiana, and other local governmental entities.

C. Measurement Focus and Basis of Accounting

The government-wide, governmental fund, and fiduciary fund financial statements are reported using the basis of accounting that demonstrates compliance with the cash and investment basis and budget laws of the State of Indiana, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Receipts are recorded when received and disbursements are recorded when paid.

The cash and investment basis of accounting differs from accounting principles generally accepted in the United States of America in that receipts are recognized when received in cash rather than when earned and disbursements are recognized when paid rather than when a liability is incurred. Investment transactions are not presented on the financial statements.

If the County utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting, while the fund financial statements for proprietary fund types would use the accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Elimination of these charges would distort the direct costs and program receipts reported for the various functions concerned.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities are provided to people outside the government (enterprise funds) or other departments or agencies primarily within the government (internal service funds). The County does not have any proprietary funds.

D. Assets and Cash and Investment Balances

1. Cash and Investments

Investments are stated at cost. Any changes in fair value of the investments are reported as interest receipts in the year of the sale of the investment.

BOONE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

2. Capital Assets

Capital assets arising from cash transactions acquired for use in governmental or proprietary fund operations are accounted for as capital outlay disbursements of the fund upon acquisition.

3. Long-Term Debt

Long-term debt arising from cash basis transactions of governmental and proprietary funds is not reported as liabilities in the basic financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as disbursements.

4. Equity Classification

Government-Wide Statements

Equity is classified as net assets and displayed in two components:

- a. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments, or (2) law through constitutional provisions or enabling legislation.
- b. Unrestricted net assets – All other net assets that do not meet the definition of "restricted."

It is the County's policy to first use restricted net assets prior to the use of unrestricted net assets when a disbursement is incurred for purposes for which both restricted and unrestricted net assets are available.

Fund Financial Statements

Governmental fund equity is classified as fund balance.

E. Receipts and Disbursements

1. Program Receipts

Amounts reported as program receipts include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general receipts rather than as program receipts. Likewise, general receipts include all taxes.

2. Operating Receipts and Disbursements

Operating receipts and disbursements for proprietary funds and the similar discretely presented component unit result from providing services and producing and delivering goods and/or services. They also include all receipts and disbursements not related to capital and related financing, noncapital financing, or investing activities.

BOONE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

F. Internal and Interfund Balances and Activities

In the process of aggregating the financial information for the government-wide Statement of Activities and Net Assets – Cash and Investment Basis, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified.

Fund Financial Statements

Interfund transfers – Flow of assets from one fund to another where repayment is not expected is reported as transfers in and out.

Government-Wide Financial Statements

Interfund activity and balances, if any, are eliminated or reclassified in the government-wide financial statements as follows:

Internal activities – Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities and Net Assets – Cash and Investment Basis except for the net amount of transfers between governmental and business-type activities, which are reported as Transfers – Internal Activities. The effects of interfund services between funds, if any, are not eliminated in the Statement of Activities and Net Assets – Cash and Investment Basis.

II. Stewardship, Compliance and Accountability

A. Budgetary Information

Annual budgets are adopted on the cash basis, which is not consistent with accounting principles generally accepted in the United States of America. All annual appropriations lapse at calendar year end.

Prior to the first required publication, the fiscal officer of the County submits to the governing board a proposed operating budget for the year commencing the following January 1. Prior to adoption, the budget is advertised and public hearings are conducted by the governing board to obtain taxpayer comments. In September of each year, the governing board, through the passage of a resolution/ ordinance, approves the budget for the next year. Copies of the budget resolution/ordinance and the advertisement for funds for which property taxes are levied or highway use taxes are received are sent to the Indiana Department of Local Government Finance. The budget becomes legally enacted after the fiscal officer of the County receives approval of the Indiana Department of Local Government Finance.

The County's management cannot transfer budgeted appropriations between object classifications of a budget without approval of the governing board. The Indiana Department of Local Government Finance must approve any revisions to the appropriations for any fund or any department of the General Fund. The legal level of budgetary control is by object and department within the fund for the General Fund and by object within the fund for all other budgeted funds.

BOONE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

B. Cash and Investment Balance Deficits

At December 31, 2006, the following funds reported deficits in cash and investments, which are violations of the Uniform Compliance Guidelines and state statute:

Fund	2006
Public Health Coordinator	\$ 15,988
Sheriff's Commissary Payroll	5,540
STOP Domestic Violence	20,219
Local Law Enforcement Grant	1,874

Cash and investment deficits arose primarily from disbursements exceeding receipts due to the timing of grant reimbursements, deficits are to be repaid from future receipts.

III. Detailed Notes on All Funds

A. Deposits and Investments

1. Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Indiana Code 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision. At December 31, 2006, the balances were insured by the Federal Deposit Insurance Corporation or the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

2. Investments

Authorization for investment activity is stated in Indiana Code 5-13. The Sheriff's Merit Board has not established an investment policy for the Sheriff's Retirement and Benefit Pension Plan. As of December 31, 2006, the County had the following investments:

Investment Type	Primary Government Market Value	Sheriff's Retirement and Benefit Pension Plans
U.S. treasuries and securities	\$ -	\$ 94,391
U.S. agencies	-	326,163
Government sponsored enterprises	-	208,275
Investment pools	1,009,906	-
Corporate stock	-	2,320,138
Corporate bonds	-	516,359
Totals	<u>\$ 1,009,906</u>	<u>\$ 3,465,326</u>



BOONE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Investment Policies

Indiana Code 5-13-9 authorizes the County to invest in securities backed by the full faith and credit of the United States Treasury or fully guaranteed by the United States of America and issued by the United States Treasury, a federal agency, a federal instrumentality, or a federal government sponsored enterprise. Indiana Code also authorizes the unit to invest in securities fully guaranteed and issued by a federal agency, a federal instrumentality or a federal government sponsored enterprise. These investments are required by statute to have a stated final maturity of not more than two years.

Indiana Code also provides for investment in money market mutual funds that are in the form of securities of, or interest in, an open-end, no-load, management-type investment company or investment trust registered under the provision of the federal Investment Company Act of 1940, as amended. Investments in money market mutual funds may not exceed 50% of the funds held by the County and available for investment. The portfolio of an investment company or investment trust used must be limited to direct obligations of the United States of America, obligations issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise or repurchase agreements fully collateralized by direct obligations of the United States of America or obligations issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise. The form of securities of, or interest in, an investment company or investment trust must be rated as AAA, or its equivalent by Standard and Poor's Corporation or its successor or Aaa, or its equivalent, by Moody's Investors Service, Inc., or its successor. The form of securities in an investment company or investment trust should have a stated final maturity of one day.

Additionally, the County may enter into repurchase agreements with depositories designated by the State Board of Finance as depositories for state deposits involving the unit's purchase and guaranteed resale of any interest-bearing obligations issued or fully insured or guaranteed by the United States of America, a United States of America government agency, an instrumentality of the United States of America, or a federal government sponsored enterprise. The repurchase agreement is considered to have a stated final maturity of one day. This agreement must be fully collateralized by interest-bearing obligations as determined by their current market value.

The Sheriff's Pension Plan is not subject to the same investment laws as the County.

Investment Custodial Credit Risk

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The County does not have a formal investment policy for custodial credit risk for investments. At December 31, 2006, the County held investments in investment pools in the amount of \$1,009,906. All of these investments were held by the counterparty's trust department or agent but not in the County's name.

At December 31, 2006, the Sheriff's Retirement and Benefit Pension Plans held investments in U.S. Government securities, U.S. Agencies, corporate stocks and corporate bonds in the amount of \$3,465,326. All of these investments are held by the investment's counterparty, not in the name of the Sheriff's Pension Plan.

BOONE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County must follow state statute and limit the stated final maturities of the investments to no more than two years.

The Sheriff's Merit Board has not adopted a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses.

Primary Government:

Investment Type	Investment Maturities (in Years)		
	Less Than 1	1-2	More Than 2
Investment pools	\$ -	\$ -	\$ 1,009,906

Sheriff's Retirement and Benefit Pension Plans:

Investment Type	Investment Maturities (in Years)		
	Less Than 1	1-2	More Than 2
U.S. treasuries and securities	\$ 25,921	\$ 93,890	\$ 300,743
U.S. agencies	-	122,909	85,366
Corporate stock	2,320,138	-	-
Corporate bonds	117	516,242	-
Totals	\$ 2,346,176	\$ 733,041	\$ 386,109

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The distribution of securities with credit ratings is summarized below.

Primary Government				
Standard and Poor's Rating	Corporate Bonds	Corporate Stock	Government Sponsored Enterprise	Investment Pools
Unrated	\$ -	\$ -	\$ -	\$ 1,009,906

BOONE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Sheriff's Retirement and Benefit Pension Plans				
Standard and Poor's Rating	Corporate Bonds	Corporate Stock	Government Sponsored Enterprise	Investment Pools
AAA	\$ 10,283	\$ -	\$ 628,829	\$ -
AA	59,458	-	-	-
A	160,338	-	-	-
BBB	107,359	-	-	-
BB	32,956	-	-	-
B	28,741	-	-	-
Unrated	117,224	2,320,138	-	-
Totals	<u>\$ 516,359</u>	<u>\$ 2,320,138</u>	<u>\$ 628,829</u>	<u>\$ -</u>

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The County does not have a policy in regards to concentration of credit risk. United States of America government and United States of America governmental agency securities are exempt from this policy requirement.

The Sheriff's Merit Board has not adopted a policy for the concentration of credit risk.

B. Interfund Transfers

Interfund transfers for the year ended December 31, 2006, were as follows:

Transfer From	Transfer To	2006
Anson Construction	Other governmental	\$ 2,554,681
Other governmental	General Fund	<u>238,307</u>
Total		<u>\$ 2,792,988</u>

The County typically uses transfers for cash flow purposes as provided by various statutory provisions.

BOONE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

IV. Other Information

A. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents (excluding postemployment benefits); and natural disasters.

The risks of torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents (excluding postemployment benefits); and natural disasters are covered by commercial insurance from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance by major category of risk.

B. Administration of Welfare Programs

The County is required to provide certain funding for administrative costs of welfare programs, the Hospital Care for the Indigent Program, Medical Assistance to Wards and Children with Special Health Care Needs through local property tax levies. The County remits those taxes to the State, which pays the cost.

C. Pension Plans

Agent Multiple-Employer and Single-Employer Defined Benefit Pension Plans

1. Public Employees' Retirement Fund

Plan Description

The County contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in the defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system and give the County authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of member's contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

PERF administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. The report may be obtained by contacting:

Public Employees' Retirement Fund  
Harrison Building, Room 800  
143 West Market Street  
Indianapolis, IN 46204  
Ph. (317) 233-4162

BOONE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Funding Policy and Annual Pension Cost

The contribution requirements of plan members for PERF are established by the Board of Trustees of PERF. The County's annual pension cost and related information, as provided by the actuary, is presented in this note.

Information to segregate the assets/liabilities and the actuarial study figures between the County and the Utilities is not available.

2. County Police Retirement Plan

Plan Description

The County contributes to the County Police Retirement Plan, which is a single-employer defined benefit pension plan. With the approval of the County's fiscal body, the plan is administered by the sheriff's department and an appointed trustee as authorized by state statute (IC 36-8-10-12) for full-time police officers. The plan provides retirement, death, and disability benefits to plan members and beneficiaries. The trustee issues a publicly available financial report that includes financial statements and required supplementary information of the plan. The report may be obtained by contacting the county sheriff.

Funding Policy and Annual Pension Cost

The contribution requirements of plan members for the County Police Retirement Plan are established by state statute. The County's annual pension cost and related information, as provided by the actuary, is presented in this note.

3. County Police Benefit Plan

Plan Description

The County contributes to the County Police Benefit Plan which is a single-employer defined benefit pension plan. With the approval of the County's fiscal body, the plan is administered by the sheriff's department and an appointed trustee as authorized by state statute (IC 36-8-10-12) for full-time police officers. The plan provides dependent pensions, life insurance, and disability benefits to plan members and beneficiaries. The trustee issues a publicly available financial report that includes financial statements and required supplementary information of the plan. The report may be obtained by contacting the county sheriff.

Funding Policy and Annual Pension Cost

The contribution requirements of plan members for the County Police Benefit Plan are established by state statute. The County's annual pension cost and related information, as provided by the actuary, is presented in this note.

BOONE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Actuarial Information for the Above Plans

	PERF	County Police Retirement Plan	County Police Benefit Plan
Annual required contribution	\$ 294,163	\$ 249,582	\$ 26,400
Interest on net pension obligation	(9,836)	1,993	-
Adjustment to annual required contribution	11,209	(3,338)	-
Annual pension cost	295,536	248,237	26,400
Contributions made	301,250	253,558	26,400
Decrease in net pension obligation	(5,714)	(5,321)	-
Net pension obligation, beginning of year	(135,667)	28,473	-
Net pension obligation, end of year	<u>\$ (141,381)</u>	<u>\$ 23,152</u>	<u>\$ -</u>

	PERF	County Police Retirement Plan	County Police Benefit Plan
Contribution rates:			
County	4%	22%	3%
Plan members	3%	6%	6%
Actuarial valuation date	07-01-06	01-01-07	01-01-07
Actuarial cost method	Entry age	Entry age	Entry age
Amortization method	Level percentage of projected payroll, closed	Level percentage of projected payroll, closed	Level percentage of projected payroll, closed
Amortization period	40 years	40 years	40 years
Amortization period (from date)	07-01-97	12-31-97	12-31-97
Asset valuation method	4 year smoothed market	4 year smoothed market	4 year smoothed market

Actuarial Assumptions

Investment rate of return	7.25%	7%	7%
Projected future salary increases:			
Total	5%	5%	5%
Attributed to inflation	4%	4%	4%
Attributed to merit/seniority	1%	1%	1%
Cost-of-living adjustments	2%	2%	0%

BOONE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Three Year Trend Information

	Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
PERF	06-30-04	\$ 213,071	104%	\$ (124,797)
	06-30-05	250,783	104%	(135,667)
	06-30-06	295,536	120%	(141,381)
County Police Retirement Plan	12-31-04	226,399	97%	45,407
	12-31-05	236,926	106%	28,473
	12-31-06	249,582	102%	23,152
County Police Benefit Plan	12-31-04	26,116	100%	-
	12-31-05	25,541	100%	-
	12-31-06	26,400	100%	-

BOONE COUNTY  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULES OF FUNDING PROGRESS

Public Employees' Retirement Fund						
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over (Unfunded) AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-04	\$ 3,640,922	\$ 3,870,423	\$ (229,501)	94%	\$ 4,931,062	(5%)
07-01-05	3,848,290	4,429,707	(581,417)	87%	5,078,598	(11%)
07-01-06	4,375,044	4,846,408	(471,364)	90%	5,668,458	(8%)
County Police Retirement Plan						
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
01-01-02	\$ 2,249,184	\$ 2,249,184	\$ -	100%	\$ 866,871	0%
01-01-03	2,270,008	3,026,456	(756,448)	75%	926,645	(82%)
01-01-04	2,485,897	3,251,198	(765,301)	76%	961,858	(80%)
01-01-05	2,770,254	3,528,502	(758,248)	79%	1,070,657	(71%)
01-01-06	3,103,895	3,831,396	(727,501)	81%	1,116,391	(65%)
01-01-07	3,498,822	4,199,100	(700,278)	83%	1,131,084	(62%)



BOONE COUNTY  
COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND  
RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
OTHER GOVERNMENTAL FUNDS  
For The Year Ended December 31, 2006

	County Highway	Local Road and Street	County Health	Property Reassessment 2005	Property Reassessment 2006	Family and Children Number 1	Family and Children Number 2
Receipts:							
Taxes	\$ -	\$ -	\$ 415,318	\$ -	\$ 154,777	\$ 1,566,779	\$ 74,608
Licenses and permits	-	-	123,722	-	-	-	-
Intergovernmental	3,055,908	546,497	76,070	-	18,830	622,475	7,533
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other	23,005	17,553	-	34,972	8,574	183,415	210
Total receipts	3,078,913	564,050	615,110	34,972	182,181	2,372,669	82,351
Disbursements:							
General government	-	-	-	8,574	191,433	-	-
Public safety	-	-	-	-	-	-	-
Highways and streets	2,876,053	534,956	-	-	-	-	-
Health and welfare	-	-	501,604	-	-	1,704,901	80,076
Debt service:							
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Highways and streets	-	182,570	-	-	-	-	-
Total disbursements	2,876,053	717,526	501,604	8,574	191,433	1,704,901	80,076
Excess (deficiency) of receipts over disbursements	202,860	(153,476)	113,506	26,398	(9,252)	667,768	2,275
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	202,860	(153,476)	113,506	26,398	(9,252)	667,768	2,275
Cash and investment fund balance - beginning	1,580,589	587,917	286,338	632,957	900,896	831,992	42,638
Cash and investment fund balance - ending	<u>\$ 1,783,449</u>	<u>\$ 434,441</u>	<u>\$ 399,844</u>	<u>\$ 659,355</u>	<u>\$ 891,644</u>	<u>\$ 1,499,760</u>	<u>\$ 44,913</u>
<u>Cash and Investment Assets - December 31</u>							
Cash and investments	\$ -	\$ -	\$ 399,844	\$ 659,355	\$ 891,644	\$ 1,499,760	\$ 44,913
Restricted assets:							
Cash and investments	1,783,449	434,441	-	-	-	-	-
Total cash and investment assets - December 31	<u>\$ 1,783,449</u>	<u>\$ 434,441</u>	<u>\$ 399,844</u>	<u>\$ 659,355</u>	<u>\$ 891,644</u>	<u>\$ 1,499,760</u>	<u>\$ 44,913</u>
<u>Cash and Investment Fund Balance - December 31</u>							
Restricted for:							
Highways and streets	\$ 1,783,449	\$ 434,441	\$ -	\$ -	\$ -	\$ -	\$ -
Debt service	-	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-	-
Unrestricted	-	-	399,844	659,355	891,644	1,499,760	44,913
Total cash and investment fund balance - December 31	<u>\$ 1,783,449</u>	<u>\$ 434,441</u>	<u>\$ 399,844</u>	<u>\$ 659,355</u>	<u>\$ 891,644</u>	<u>\$ 1,499,760</u>	<u>\$ 44,913</u>

BOONE COUNTY  
COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND  
RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
OTHER GOVERNMENTAL FUNDS  
For The Year Ended December 31, 2006  
(Continued)

	Convention and Visitors Promotion	Food and Beverage Tax	County Surveyor's Corner Perpetuation	County Recorder's Perpetuation	Clerk's Record Perpetuation	Emergency Planning	Local Planning Council
Receipts:							
Taxes	\$ 213,155	\$ 242,453	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	14,265	117,598	-	5,367	-
Fines and forfeits	-	-	-	-	10,247	-	-
Other	12,270	-	-	6,990	-	-	-
Total receipts	225,425	242,453	14,265	124,588	10,247	5,367	-
Disbursements:							
General government	365,000	15,000	13,675	61,418	3,631	-	-
Public safety	-	-	-	-	-	5,045	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Debt service:							
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Total disbursements	365,000	15,000	13,675	61,418	3,631	5,045	-
Excess (deficiency) of receipts over disbursements	(139,575)	227,453	590	63,170	6,616	322	-
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(139,575)	227,453	590	63,170	6,616	322	-
Cash and investment fund balance - beginning	468,699	37,634	56,261	231,774	10,465	15,584	1,474
Cash and investment fund balance - ending	\$ 329,124	\$ 265,087	\$ 56,851	\$ 294,944	\$ 17,081	\$ 15,906	\$ 1,474
<u>Cash and Investment Assets - December 31</u>							
Cash and investments	\$ 329,124	\$ 265,087	\$ 56,851	\$ 294,944	\$ 17,081	\$ 15,906	\$ 1,474
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - December 31	\$ 329,124	\$ 265,087	\$ 56,851	\$ 294,944	\$ 17,081	\$ 15,906	\$ 1,474
<u>Cash and Investment Fund Balance - December 31</u>							
Restricted for:							
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt service	-	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-	-
Unrestricted	329,124	265,087	56,851	294,944	17,081	15,906	1,474
Total cash and investment fund balance - December 31	\$ 329,124	\$ 265,087	\$ 56,851	\$ 294,944	\$ 17,081	\$ 15,906	\$ 1,474

BOONE COUNTY  
COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND  
RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
OTHER GOVERNMENTAL FUNDS  
For The Year Ended December 31, 2006  
(Continued)

	Drainage Maintenance	Enhanced E911	Wireless E911	Health Maintenance	Health Gift	Healthy People 2000	Tobacco Grant
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	291,140	33,139	-	-	45,359
Charges for services	610,180	496,437	-	-	-	130,337	-
Fines and forfeits	-	-	-	-	-	-	-
Other	181	-	-	-	948	16,625	3,050
Total receipts	610,361	496,437	291,140	33,139	948	146,962	48,409
Disbursements:							
General government	386,359	-	-	-	-	-	-
Public safety	-	531,320	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	35,231	816	171,295	38,279
Debt service:							
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Total disbursements	386,359	531,320	-	35,231	816	171,295	38,279
Excess (deficiency) of receipts over disbursements	224,002	(34,883)	291,140	(2,092)	132	(24,333)	10,130
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	224,002	(34,883)	291,140	(2,092)	132	(24,333)	10,130
Cash and investment fund balance - beginning	1,824,062	458,680	266,070	19,934	1,013	24,929	8,272
Cash and investment fund balance - ending	\$ 2,048,064	\$ 423,797	\$ 557,210	\$ 17,842	\$ 1,145	\$ 596	\$ 18,402
<u>Cash and Investment Assets - December 31</u>							
Cash and investments	\$ 2,048,064	\$ 423,797	\$ 557,210	\$ 17,842	\$ 1,145	\$ 596	\$ 18,402
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - December 31	\$ 2,048,064	\$ 423,797	\$ 557,210	\$ 17,842	\$ 1,145	\$ 596	\$ 18,402
<u>Cash and Investment Fund Balance - December 31</u>							
Restricted for:							
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt service	-	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-	-
Unrestricted	2,048,064	423,797	557,210	17,842	1,145	596	18,402
Total cash and investment fund balance - December 31	\$ 2,048,064	\$ 423,797	\$ 557,210	\$ 17,842	\$ 1,145	\$ 596	\$ 18,402

BOONE COUNTY  
COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND  
RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
OTHER GOVERNMENTAL FUNDS  
For The Year Ended December 31, 2006  
(Continued)

	Public Health Coordinator	Community Preparedness	Prosecutor IV-D	Clerk IV-D	Clerk IV-D Number 2	Jury Pay	Pretrial Diversion
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	40,295	-	15,226	-	-	-	-
Charges for services	-	-	-	-	-	-	27,805
Fines and forfeits	-	-	-	-	-	14,226	-
Other	-	2,545	-	-	-	-	-
Total receipts	40,295	2,545	15,226	-	-	14,226	27,805
Disbursements:							
General government	-	-	-	3,426	392	-	-
Public safety	-	-	8,862	-	-	-	23,480
Highways and streets	-	-	-	-	-	-	-
Health and welfare	51,901	7,886	-	-	-	-	-
Debt service:							
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Total disbursements	51,901	7,886	8,862	3,426	392	-	23,480
Excess (deficiency) of receipts over disbursements	(11,606)	(5,341)	6,364	(3,426)	(392)	14,226	4,325
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(11,606)	(5,341)	6,364	(3,426)	(392)	14,226	4,325
Cash and investment fund balance - beginning	(4,382)	19,142	46,742	4,924	1,062	77,441	54,833
Cash and investment fund balance - ending	<u>\$ (15,988)</u>	<u>\$ 13,801</u>	<u>\$ 53,106</u>	<u>\$ 1,498</u>	<u>\$ 670</u>	<u>\$ 91,667</u>	<u>\$ 59,158</u>
<u>Cash and Investment Assets - December 31</u>							
Cash and investments	\$ (15,988)	\$ 13,801	\$ 53,106	\$ 1,498	\$ 670	\$ 91,667	\$ 59,158
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - December 31	<u>\$ (15,988)</u>	<u>\$ 13,801</u>	<u>\$ 53,106</u>	<u>\$ 1,498</u>	<u>\$ 670</u>	<u>\$ 91,667</u>	<u>\$ 59,158</u>
<u>Cash and Investment Fund Balance - December 31</u>							
Restricted for:							
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt service	-	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-	-
Unrestricted	(15,988)	13,801	53,106	1,498	670	91,667	59,158
Total cash and investment fund balance - December 31	<u>\$ (15,988)</u>	<u>\$ 13,801</u>	<u>\$ 53,106</u>	<u>\$ 1,498</u>	<u>\$ 670</u>	<u>\$ 91,667</u>	<u>\$ 59,158</u>

BOONE COUNTY  
COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND  
RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
OTHER GOVERNMENTAL FUNDS  
For The Year Ended December 31, 2006  
(Continued)

	County Sales Disclosure	County Corrections	Guardian Ad Litem User Fee	Supplemental Juvenile Probation	Supplemental Adult Probation	Adult Probation User Fee	Probation II Administration Fee
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	2,203	-	-	-	-
Charges for services	18,277	30,220	-	15,296	144,049	48,146	34,615
Fines and forfeits	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	<u>18,277</u>	<u>30,220</u>	<u>2,203</u>	<u>15,296</u>	<u>144,049</u>	<u>48,146</u>	<u>34,615</u>
Disbursements:							
General government	9,365	-	2,203	-	-	-	-
Public safety	-	63,695	-	10,990	103,824	46,262	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Debt service:							
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Total disbursements	<u>9,365</u>	<u>63,695</u>	<u>2,203</u>	<u>10,990</u>	<u>103,824</u>	<u>46,262</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>8,912</u>	<u>(33,475)</u>	<u>-</u>	<u>4,306</u>	<u>40,225</u>	<u>1,884</u>	<u>34,615</u>
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>8,912</u>	<u>(33,475)</u>	<u>-</u>	<u>4,306</u>	<u>40,225</u>	<u>1,884</u>	<u>34,615</u>
Cash and investment fund balance - beginning	<u>19,496</u>	<u>59,870</u>	<u>141</u>	<u>122,834</u>	<u>194,043</u>	<u>91,414</u>	<u>64,242</u>
Cash and investment fund balance - ending	<u>\$ 28,408</u>	<u>\$ 26,395</u>	<u>\$ 141</u>	<u>\$ 127,140</u>	<u>\$ 234,268</u>	<u>\$ 93,298</u>	<u>\$ 98,857</u>
<u>Cash and Investment Assets - December 31</u>							
Cash and investments	\$ 28,408	\$ 26,395	\$ 141	\$ 127,140	\$ 234,268	\$ 93,298	\$ 98,857
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - December 31	<u>\$ 28,408</u>	<u>\$ 26,395</u>	<u>\$ 141</u>	<u>\$ 127,140</u>	<u>\$ 234,268</u>	<u>\$ 93,298</u>	<u>\$ 98,857</u>
<u>Cash and Investment Fund Balance - December 31</u>							
Restricted for:							
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt service	-	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-	-
Unrestricted	<u>28,408</u>	<u>26,395</u>	<u>141</u>	<u>127,140</u>	<u>234,268</u>	<u>93,298</u>	<u>98,857</u>
Total cash and investment fund balance - December 31	<u>\$ 28,408</u>	<u>\$ 26,395</u>	<u>\$ 141</u>	<u>\$ 127,140</u>	<u>\$ 234,268</u>	<u>\$ 93,298</u>	<u>\$ 98,857</u>

BOONE COUNTY  
COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND  
RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
OTHER GOVERNMENTAL FUNDS  
For The Year Ended December 31, 2006  
(Continued)

	Probation I Administration Fee	Circuit Court Administration Fee	Superior II Drug/Alcohol Program	Prosecutor's Deferral User Fee	Prosecutor's Special Fee	Prosecutor Law Enforcement	Prosecutor Firearms Grant
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	4,291	10,485	-	136,390	14,234	-	-
Fines and forfeits	-	-	104,616	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	4,291	10,485	104,616	136,390	14,234	-	-
Disbursements:							
General government	-	-	-	-	-	-	-
Public safety	-	-	104,192	98,849	12,687	800	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Debt service:							
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Total disbursements	-	-	104,192	98,849	12,687	800	-
Excess (deficiency) of receipts over disbursements	4,291	10,485	424	37,541	1,547	(800)	-
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	4,291	10,485	424	37,541	1,547	(800)	-
Cash and investment fund balance - beginning	8,166	18,140	98,754	159,332	4,676	1,883	3,140
Cash and investment fund balance - ending	<u>\$ 12,457</u>	<u>\$ 28,625</u>	<u>\$ 99,178</u>	<u>\$ 196,873</u>	<u>\$ 6,223</u>	<u>\$ 1,083</u>	<u>\$ 3,140</u>
<u>Cash and Investment Assets - December 31</u>							
Cash and investments	\$ 12,457	\$ 28,625	\$ 99,178	\$ 196,873	\$ 6,223	\$ 1,083	\$ 3,140
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - December 31	<u>\$ 12,457</u>	<u>\$ 28,625</u>	<u>\$ 99,178</u>	<u>\$ 196,873</u>	<u>\$ 6,223</u>	<u>\$ 1,083</u>	<u>\$ 3,140</u>
<u>Cash and Investment Fund Balance - December 31</u>							
Restricted for:							
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt service	-	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-	-
Unrestricted	12,457	28,625	99,178	196,873	6,223	1,083	3,140
Total cash and investment fund balance - December 31	<u>\$ 12,457</u>	<u>\$ 28,625</u>	<u>\$ 99,178</u>	<u>\$ 196,873</u>	<u>\$ 6,223</u>	<u>\$ 1,083</u>	<u>\$ 3,140</u>

BOONE COUNTY  
COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND  
RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
OTHER GOVERNMENTAL FUNDS  
For The Year Ended December 31, 2006  
(Continued)

	Family Court Pilot Program	County User Fee	Sheriff's Gift	Sheriff's Commissary	Sheriff's Commissary Payroll	Sheriff's Seizure	Asset Seizure and Forfeiture
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	18,220	-	-	25,987	-	-	-
Fines and forfeits	-	3,637	-	-	-	-	3,659
Other	-	-	-	50,110	-	-	-
Total receipts	18,220	3,637	-	76,097	-	-	3,659
Disbursements:							
General government	-	-	-	-	-	-	-
Public safety	16,489	3,334	-	111,225	-	7,430	1,829
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Debt service:							
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Total disbursements	16,489	3,334	-	111,225	-	7,430	1,829
Excess (deficiency) of receipts over disbursements	1,731	303	-	(35,128)	-	(7,430)	1,830
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,731	303	-	(35,128)	-	(7,430)	1,830
Cash and investment fund balance - beginning	8,710	189	3,289	57,503	(5,540)	25,616	1,000
Cash and investment fund balance - ending	<u>\$ 10,441</u>	<u>\$ 492</u>	<u>\$ 3,289</u>	<u>\$ 22,375</u>	<u>\$ (5,540)</u>	<u>\$ 18,186</u>	<u>\$ 2,830</u>
<u>Cash and Investment Assets - December 31</u>							
Cash and investments	\$ 10,441	\$ 492	\$ 3,289	\$ 22,375	\$ (5,540)	\$ 18,186	\$ 2,830
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - December 31	<u>\$ 10,441</u>	<u>\$ 492</u>	<u>\$ 3,289</u>	<u>\$ 22,375</u>	<u>\$ (5,540)</u>	<u>\$ 18,186</u>	<u>\$ 2,830</u>
<u>Cash and Investment Fund Balance - December 31</u>							
Restricted for:							
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt service	-	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-	-
Unrestricted	10,441	492	3,289	22,375	(5,540)	18,186	2,830
Total cash and investment fund balance - December 31	<u>\$ 10,441</u>	<u>\$ 492</u>	<u>\$ 3,289</u>	<u>\$ 22,375</u>	<u>\$ (5,540)</u>	<u>\$ 18,186</u>	<u>\$ 2,830</u>

BOONE COUNTY  
COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND  
RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
OTHER GOVERNMENTAL FUNDS  
For The Year Ended December 31, 2006  
(Continued)

	County Sheriff Training	County Drug Free Community	Accident Report	Firearms Training	Investigation Sheriff	Juvenile Task Force	County Misdemeanant
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	7,180	-	-	-
Intergovernmental	-	-	-	-	-	-	28,570
Charges for services	-	-	2,611	-	2,500	-	-
Fines and forfeits	1,644	37,895	-	-	-	-	28,570
Other	-	-	-	-	-	-	-
Total receipts	1,644	37,895	2,611	7,180	2,500	-	57,140
Disbursements:							
General government	-	-	-	-	-	-	-
Public safety	10,934	24,849	696	535	6,598	-	32,254
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Debt service:							
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Total disbursements	10,934	24,849	696	535	6,598	-	32,254
Excess (deficiency) of receipts over disbursements	(9,290)	13,046	1,915	6,645	(4,098)	-	24,886
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(9,290)	13,046	1,915	6,645	(4,098)	-	24,886
Cash and investment fund balance - beginning	30,770	10,082	6,732	4,171	15,309	5,000	36,048
Cash and investment fund balance - ending	<u>\$ 21,480</u>	<u>\$ 23,128</u>	<u>\$ 8,647</u>	<u>\$ 10,816</u>	<u>\$ 11,211</u>	<u>\$ 5,000</u>	<u>\$ 60,934</u>
<u>Cash and Investment Assets - December 31</u>							
Cash and investments	\$ 21,480	\$ 23,128	\$ 8,647	\$ 10,816	\$ 11,211	\$ 5,000	\$ 60,934
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - December 31	<u>\$ 21,480</u>	<u>\$ 23,128</u>	<u>\$ 8,647</u>	<u>\$ 10,816</u>	<u>\$ 11,211</u>	<u>\$ 5,000</u>	<u>\$ 60,934</u>
<u>Cash and Investment Fund Balance - December 31</u>							
Restricted for:							
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt service	-	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-	-
Unrestricted	21,480	23,128	8,647	10,816	11,211	5,000	60,934
Total cash and investment fund balance - December 31	<u>\$ 21,480</u>	<u>\$ 23,128</u>	<u>\$ 8,647</u>	<u>\$ 10,816</u>	<u>\$ 11,211</u>	<u>\$ 5,000</u>	<u>\$ 60,934</u>



BOONE COUNTY  
COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND  
RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
OTHER GOVERNMENTAL FUNDS  
For The Year Ended December 31, 2006  
(Continued)

	Cannabis Marijuana Eradication	Drug Awareness	Operating While Intoxicated	STOP Domestic Violence	Victim Assistance Program	Local Law Enforcement Grant	Indiana Criminal Justice Grants
Receipts:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	5,954	17,426	41,250	-	311,574
Charges for services	2,441	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other	-	2,009	7,936	-	-	-	-
Total receipts	2,441	2,009	13,890	17,426	41,250	-	311,574
Disbursements:							
General government	-	-	-	-	-	-	-
Public safety	-	12,760	13,460	26,358	30,772	-	334,923
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Debt service:							
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Total disbursements	-	12,760	13,460	26,358	30,772	-	334,923
Excess (deficiency) of receipts over disbursements	2,441	(10,751)	430	(8,932)	10,478	-	(23,349)
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	2,441	(10,751)	430	(8,932)	10,478	-	(23,349)
Cash and investment fund balance - beginning	13,515	22,335	410	(11,287)	506	(1,874)	37,891
Cash and investment fund balance - ending	<u>\$ 15,956</u>	<u>\$ 11,584</u>	<u>\$ 840</u>	<u>\$ (20,219)</u>	<u>\$ 10,984</u>	<u>\$ (1,874)</u>	<u>\$ 14,542</u>
<u>Cash and Investment Assets - December 31</u>							
Cash and investments	\$ 15,956	\$ 11,584	\$ 840	\$ (20,219)	\$ 10,984	\$ (1,874)	\$ 14,542
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - December 31	<u>\$ 15,956</u>	<u>\$ 11,584</u>	<u>\$ 840</u>	<u>\$ (20,219)</u>	<u>\$ 10,984</u>	<u>\$ (1,874)</u>	<u>\$ 14,542</u>
<u>Cash and Investment Fund Balance - December 31</u>							
Restricted for:							
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt service	-	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-	-
Unrestricted	15,956	11,584	840	(20,219)	10,984	(1,874)	14,542
Total cash and investment fund balance - December 31	<u>\$ 15,956</u>	<u>\$ 11,584</u>	<u>\$ 840</u>	<u>\$ (20,219)</u>	<u>\$ 10,984</u>	<u>\$ (1,874)</u>	<u>\$ 14,542</u>

BOONE COUNTY  
COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND  
RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
OTHER GOVERNMENTAL FUNDS  
For The Year Ended December 31, 2006  
(Continued)

	Bullet Proof Vest Grant	High Risk Grant	Outpatient Alcohol Prevention	Interstate Compact Fee	Alternate Dispute Fee	Project Ace
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	21,831	-	-	-	-	-
Charges for services	-	-	-	675	5,594	-
Fines and forfeits	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	21,831	-	-	675	5,594	-
Disbursements:						
General government	-	-	-	-	-	-
Public safety	7,050	-	-	600	290	4,460
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service:						
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Total disbursements	7,050	-	-	600	290	4,460
Excess (deficiency) of receipts over disbursements	14,781	-	-	75	5,304	(4,460)
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	14,781	-	-	75	5,304	(4,460)
Cash and investment fund balance - beginning	9,059	2,080	5,044	75	6,730	4,460
Cash and investment fund balance - ending	<u>\$ 23,840</u>	<u>\$ 2,080</u>	<u>\$ 5,044</u>	<u>\$ 150</u>	<u>\$ 12,034</u>	<u>\$ -</u>
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ 23,840	\$ 2,080	\$ 5,044	\$ 150	\$ 12,034	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - December 31	<u>\$ 23,840</u>	<u>\$ 2,080</u>	<u>\$ 5,044</u>	<u>\$ 150</u>	<u>\$ 12,034</u>	<u>\$ -</u>
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt service	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-
Unrestricted	23,840	2,080	5,044	150	12,034	-
Total cash and investment fund balance - December 31	<u>\$ 23,840</u>	<u>\$ 2,080</u>	<u>\$ 5,044</u>	<u>\$ 150</u>	<u>\$ 12,034</u>	<u>\$ -</u>

BOONE COUNTY  
COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND  
RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
OTHER GOVERNMENTAL FUNDS  
For The Year Ended December 31, 2006  
(Continued)

	Help America Vote Act	Rainy Day	County Funds Levy Excess	Senior Services Transit	Security Protection	Economic Development Fees
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	70,650
Intergovernmental	-	-	-	56,165	-	-
Charges for services	-	-	-	-	25,412	-
Fines and forfeits	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	-	-	-	56,165	25,412	70,650
Disbursements:						
General government	237,989	-	-	56,165	-	52,200
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Debt service:						
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Total disbursements	237,989	-	-	56,165	-	52,200
Excess (deficiency) of receipts over disbursements	(237,989)	-	-	-	25,412	18,450
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	(238,307)	-	-	-
Total other financing sources (uses)	-	-	(238,307)	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(237,989)	-	(238,307)	-	25,412	18,450
Cash and investment fund balance - beginning	238,000	104,900	238,307	-	-	-
Cash and investment fund balance - ending	<u>\$ 11</u>	<u>\$ 104,900</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,412</u>	<u>\$ 18,450</u>
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ 11	\$ 104,900	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	25,412	18,450
Total cash and investment assets - December 31	<u>\$ 11</u>	<u>\$ 104,900</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,412</u>	<u>\$ 18,450</u>
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt service	-	-	-	-	25,412	18,450
Other purposes	-	-	-	-	-	-
Unrestricted	11	104,900	-	-	-	-
Total cash and investment fund balance - December 31	<u>\$ 11</u>	<u>\$ 104,900</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,412</u>	<u>\$ 18,450</u>

BOONE COUNTY  
COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND  
RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
OTHER GOVERNMENTAL FUNDS  
For The Year Ended December 31, 2006  
(Continued)

	Jail Building Lease	Redevelopment Bond	Anson Bond	Cumulative Capital Development	General Drain Improvement	Totals
Receipts:						
Taxes	\$ -	\$ -	\$ -	\$ 435,955	\$ -	\$ 3,103,045
Licenses and permits	-	-	-	-	-	201,552
Intergovernmental	-	-	-	53,039	-	5,290,484
Charges for services	-	-	-	-	-	1,941,432
Fines and forfeits	-	-	-	-	-	204,494
Other	-	212,585	42,201	29,143	-	654,322
Total receipts	-	212,585	42,201	518,137	-	11,395,329
Disbursements:						
General government	-	-	-	-	-	1,406,830
Public safety	-	-	-	-	-	1,656,852
Highways and streets	-	-	-	-	-	3,411,009
Health and welfare	-	-	-	-	-	2,591,989
Debt service:						
Interest	-	59,760	637,509	-	-	697,269
Capital outlay:						
General government	-	-	-	456,882	-	456,882
Highways and streets	-	-	-	-	-	182,570
Total disbursements	-	59,760	637,509	456,882	-	10,403,401
Excess (deficiency) of receipts over disbursements	-	152,825	(595,308)	61,255	-	991,928
Other financing sources (uses):						
Transfers in	-	-	2,554,681	-	-	2,554,681
Transfers out	-	-	-	-	-	(238,307)
Total other financing sources (uses)	-	-	2,554,681	-	-	2,316,374
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	152,825	1,959,373	61,255	-	3,308,302
Cash and investment fund balance - beginning	17,893	305,870	2,199,014	2,275,774	481,603	15,483,255
Cash and investment fund balance - ending	<u>\$ 17,893</u>	<u>\$ 458,695</u>	<u>\$ 4,158,387</u>	<u>\$ 2,337,029</u>	<u>\$ 481,603</u>	<u>\$ 18,791,557</u>
<u>Cash and Investment Assets - December 31</u>						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,076,198
Restricted assets:						
Cash and investments	17,893	458,695	4,158,387	2,337,029	481,603	9,715,359
Total cash and investment assets - December 31	<u>\$ 17,893</u>	<u>\$ 458,695</u>	<u>\$ 4,158,387</u>	<u>\$ 2,337,029</u>	<u>\$ 481,603</u>	<u>\$ 18,791,557</u>
<u>Cash and Investment Fund Balance - December 31</u>						
Restricted for:						
Highways and streets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,217,890
Debt service	17,893	458,695	4,158,387	-	-	4,678,837
Other purposes	-	-	-	2,337,029	481,603	2,818,632
Unrestricted	-	-	-	-	-	9,076,198
Total cash and investment fund balance - December 31	<u>\$ 17,893</u>	<u>\$ 458,695</u>	<u>\$ 4,158,387</u>	<u>\$ 2,337,029</u>	<u>\$ 481,603</u>	<u>\$ 18,791,557</u>

BOONE COUNTY  
COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
PENSION TRUST FUNDS  
For The Year Ended December 31, 2006

	Sheriff's Retirement Plan	Sheriff's Benefit Plan	Totals
Additions:			
Contributions:			
Employer	\$ 331,980	\$ 26,400	\$ 358,380
Plan members	<u>33,330</u>	<u>-</u>	<u>33,330</u>
Total contributions	<u>365,310</u>	<u>26,400</u>	<u>391,710</u>
Investment receipts:			
Net increase in investments	284,562	15,193	299,755
Interest	<u>82,754</u>	<u>5,028</u>	<u>87,782</u>
Net investment receipts	<u>367,316</u>	<u>20,221</u>	<u>387,537</u>
Total additions	<u>732,626</u>	<u>46,621</u>	<u>779,247</u>
Deductions:			
Benefits	112,106	72,888	184,994
Administrative and general	<u>64,844</u>	<u>2,898</u>	<u>67,742</u>
Total deductions	<u>176,950</u>	<u>75,786</u>	<u>252,736</u>
Excess (deficiency) of total additions over total deductions	555,676	(29,165)	526,511
Cash and investment fund balance - beginning	<u>2,849,032</u>	<u>216,521</u>	<u>3,065,553</u>
Cash and investment fund balance - ending	<u><u>\$ 3,404,708</u></u>	<u><u>\$ 187,356</u></u>	<u><u>\$ 3,592,064</u></u>

BOONE COUNTY  
COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
AGENCY FUNDS  
For The Year Ended December 31, 2006

	<u>Infraction Judgments</u>	<u>Inheritance Tax</u>	<u>Surplus Tax</u>	<u>Surplus Dog</u>	<u>Tax Sale Redemption</u>	<u>Tax Sale Surplus</u>
Additions:						
Agency fund additions	\$ 133,658	\$ 1,484,483	\$ 139,371	\$ 12,327	\$ 20,502	\$ 957,327
Deductions:						
Agency fund deductions	<u>146,427</u>	<u>1,608,910</u>	<u>246,029</u>	<u>12,327</u>	<u>18,689</u>	<u>325,644</u>
Excess (deficiency) of total additions over total deductions	(12,769)	(124,427)	(106,658)	-	1,813	631,683
Cash and investment fund balance - beginning	<u>20,519</u>	<u>846,755</u>	<u>684,272</u>	<u>6,560</u>	<u>2,192</u>	<u>140,546</u>
Cash and investment fund balance - ending	<u>\$ 7,750</u>	<u>\$ 722,328</u>	<u>\$ 577,614</u>	<u>\$ 6,560</u>	<u>\$ 4,005</u>	<u>\$ 772,229</u>

BOONE COUNTY  
COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
AGENCY FUNDS  
For The Year Ended December 31, 2006  
(Continued)

	Congressional Interest	State Fines and Forfeitures	Welfare Trust	Coroners Training	City and Town Court Costs	Education Plate
Additions:						
Agency fund additions	\$ 942	\$ 85,462	\$ 31,336	\$ 3,078	\$ 10,364	\$ 6,038
Deductions:						
Agency fund deductions	<u>1,059</u>	<u>90,552</u>	<u>36,196</u>	<u>2,913</u>	<u>-</u>	<u>6,581</u>
Excess (deficiency) of total additions over total deductions	(117)	(5,090)	(4,860)	165	10,364	(543)
Cash and investment fund balance - beginning	<u>20,680</u>	<u>20,604</u>	<u>15,975</u>	<u>168</u>	<u>105,485</u>	<u>918</u>
Cash and investment fund balance - ending	<u>\$ 20,563</u>	<u>\$ 15,514</u>	<u>\$ 11,115</u>	<u>\$ 333</u>	<u>\$ 115,849</u>	<u>\$ 375</u>

BOONE COUNTY  
COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
AGENCY FUNDS  
For The Year Ended December 31, 2006  
(Continued)

	<u>Non-County Levy Excess</u>	<u>Special Death Benefit Fee</u>	<u>Recorder's Mortgage Fee</u>	<u>Child Restraint</u>	<u>Payroll</u>	<u>Tax Distribution</u>
Additions:						
Agency fund additions	\$ -	\$ 6,438	\$ 13,911	\$ 1,225	\$ 3,335,761	\$ 98,335,494
Deductions:						
Agency fund deductions	<u>50,490</u>	<u>-</u>	<u>13,905</u>	<u>1,225</u>	<u>3,323,433</u>	<u>99,613,880</u>
Excess (deficiency) of total additions over total deductions	(50,490)	6,438	6	-	12,328	(1,278,386)
Cash and investment fund balance - beginning	<u>50,695</u>	<u>3,650</u>	<u>1,167</u>	<u>75</u>	<u>180,259</u>	<u>1,384,931</u>
Cash and investment fund balance - ending	<u>\$ 205</u>	<u>\$ 10,088</u>	<u>\$ 1,173</u>	<u>\$ 75</u>	<u>\$ 192,587</u>	<u>\$ 106,545</u>



BOONE COUNTY  
COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
AGENCY FUNDS  
For The Year Ended December 31, 2006  
(Continued)

	Sheriff's Inmate Trust	County Sheriff's Trust	Clerk of the Circuit Court	County Treasurer	Totals
Additions:					
Agency fund additions	\$ 185,045	\$ 1,378,300	\$ 5,680,764	\$ 93,011,755	\$ 204,833,581
Deductions:					
Agency fund deductions	<u>177,248</u>	<u>1,378,309</u>	<u>6,361,213</u>	<u>92,348,721</u>	<u>205,763,751</u>
Excess (deficiency) of total additions over total deductions	7,797	(9)	(680,449)	663,034	(930,170)
Cash and investment fund balance - beginning	<u>37,387</u>	<u>9</u>	<u>1,770,650</u>	<u>909,228</u>	<u>6,202,725</u>
Cash and investment fund balance - ending	<u><u>\$ 45,184</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,090,201</u></u>	<u><u>\$ 1,572,262</u></u>	<u><u>\$ 5,272,555</u></u>

BOONE COUNTY  
OTHER REPORT

The annual report presented herein was prepared in addition to another official report prepared for the individual County office listed below:

County Sheriff

SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



# STATE OF INDIANA

AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513  
Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

TO: THE OFFICIALS OF BOONE COUNTY, INDIANA

### Compliance

We have audited the compliance of Boone County (County) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended December 31, 2006. The County's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the County's compliance with those requirements.

In our opinion, the County complied in all material respects with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2006.

### Internal Control Over Compliance

The management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133  
(Continued)

A control deficiency in a County's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be significant deficiencies or material weaknesses, as defined above.

This report is intended solely for the information and use of the County's management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

June 28, 2007

BOONE COUNTY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For The Year Ended December 31, 2006

Federal Grantor Agency/Pass-Through Entity Program Title/Program Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Direct Grant			
Bulletproof Vest Partnership Program	16.607	CY2005	\$ 21,831
Pass-Through Indiana Criminal Justice Institute			
Juvenile Accountability Incentive Block Grants	16.523	02-JB-076	15,659
		02-JB078	7,991
Total for program			23,650
Juvenile Justice and Delinquency Prevention - Allocation to States	16.540		
		03-JF-014	26,736
		04-JF-010	64,649
		04-JF-013	36,570
		05-JF-004	107,042
		05-JF-005	76,277
Total for program			311,274
Crime Victim Assistance	16.575	05-VA-016	41,250
Violence Against Women Formula Grants	16.588	05-ST-007	17,426
Total for federal grantor agency			415,431
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Pass-Through Indiana Department of Transportation			
State and Community Highway Safety	20.600		
		JB-06-04-04-01	654
		OP-06-02-13-10	4,900
		OP-06-02-13-12	400
Total for program			5,954
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Pass-Through Indiana State Department of Health			
Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283		
Public Health Preparedness and Response		BPRS-105-1	2,088
Public Health Coordinator		BPRS-105-2	40,295
Total for program			42,383
Pass-Through Indiana Department of Child Services			
Child Support Enforcement	93.563	CY2005	351,226
Total for federal grantor agency			393,609
Total federal awards expended			\$ 814,994

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

BOONE COUNTY  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

I. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Boone County (County) and is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Accordingly, the amount of federal awards expended is based on when the activity related to the award occurs. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

II. Subrecipients

Of the federal expenditures presented in the schedule, the County provided federal awards to sub-recipients as follows for the year ended December 31, 2006:

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>2003</u>
Juvenile Accountability Incentive Block Grants	16.523	\$ 23,650
Juvenile Justice and Delinquency Prevention – Allocation to States	16.540	311,274

BOONE COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: qualified

Internal control over financial reporting:

Material weaknesses identified?	no
Reportable conditions identified that are not considered to be material weaknesses?	none reported

Noncompliance material to financial statements noted?	no
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Federal Awards:

Internal control over major programs:

Material weaknesses identified?	no
Reportable conditions identified that are not considered to be material weaknesses?	none reported

Type of auditor's report issued on compliance for major programs: unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	no
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Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
16.540	Juvenile Justice and Delinquency Prevention – Allocation to States
93.563	Child Support Enforcement

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee?	yes
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Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.



BOONE COUNTY  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

BOONE COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on August 1, 2007, with Gretchen Smith, Auditor; Walter B. Smith, County Council member; and Mark Applegate, County Commissioner. Except for items included in the County Sheriff supplemental report, our audit disclosed no material items that warrant comment at this time.